

Arizona Department of Revenue Tax Factors

Tax Factors For Construction Contractors

Assumption: The tax is included in the Gross Proceeds.

Combined Rate	Combined Factor	Combined Rate	Combined Factor	Combined Rate	Combined Factor	Combined Rate	Combined Factor	Combined Rate	Combined Factor	Combined Rate	Combined Factor
5.60%	0.03512157	7.60%	0.04707452	9.60%	0.05873494	5.60%	0.03512157	7.60%	0.04707452	9.60%	0.05873494
5.65%	0.03542405	7.65%	0.04736955	9.65%	0.05902280	5.65%	0.03542405	7.65%	0.04736955	9.65%	0.05902280
5.70%	0.03572634	7.70%	0.04766440	9.70%	0.05931047	5.70%	0.03572634	7.70%	0.04766440	9.70%	0.05931047
5.75%	0.03602844	7.75%	0.04795906	9.75%	0.05959798	5.75%	0.03602844	7.75%	0.04795906	9.75%	0.05959798
5.80%	0.03633035	7.80%	0.04825355	9.80%	0.05988531	5.80%	0.03633035	7.80%	0.04825355	9.80%	0.05988531
5.85%	0.03663207	7.85%	0.04854785	9.85%	0.06017246	5.85%	0.03663207	7.85%	0.04854785	9.85%	0.06017246
5.90%	0.03693360	7.90%	0.04884197	9.90%	0.06045944	5.90%	0.03693360	7.90%	0.04884197	9.90%	0.06045944
5.95%	0.03723494	7.95%	0.04913590	9.95%	0.06074624	5.95%	0.03723494	7.95%	0.04913590	9.95%	0.06074624
6.00%	0.03753609	8.00%	0.04942966	10.00%	0.06103286	6.00%	0.03753609	8.00%	0.04942966	10.00%	0.06103286
6.05%	0.03783706	8.05%	0.04972323	10.05%	0.06131932	6.05%	0.03783706	8.05%	0.04972323	10.05%	0.06131932
6.10%	0.03813783	8.10%	0.05001662	10.10%	0.06160559	6.10%	0.03813783	8.10%	0.05001662	10.10%	0.06160559
6.15%	0.03843842	8.15%	0.05030984	10.15%	0.06189170	6.15%	0.03843842	8.15%	0.05030984	10.15%	0.06189170
6.20%	0.03873883	8.20%	0.05060287	10.20%	0.06217762	6.20%	0.03873883	8.20%	0.05060287	10.20%	0.06217762
6.25%	0.03903904	8.25%	0.05089572	10.25%	0.06246338	6.25%	0.03903904	8.25%	0.05089572	10.25%	0.06246338
6.30%	0.03933907	8.30%	0.05118839	10.30%	0.06274896	6.30%	0.03933907	8.30%	0.05118839	10.30%	0.06274896
6.35%	0.03963890	8.35%	0.05148088	10.35%	0.06303436	6.35%	0.03963890	8.35%	0.05148088	10.35%	0.06303436
6.40%	0.03993856	8.40%	0.05177318	10.40%	0.06331960	6.40%	0.03993856	8.40%	0.05177318	10.40%	0.06331960
6.45%	0.04023802	8.45%	0.05206531	10.45%	0.06360465	6.45%	0.04023802	8.45%	0.05206531	10.45%	0.06360465
6.50%	0.04053730	8.50%	0.05235726	10.50%	0.06388954	6.50%	0.04053730	8.50%	0.05235726	10.50%	0.06388954
6.55%	0.04083639	8.55%	0.05264903	10.55%	0.06417425	6.55%	0.04083639	8.55%	0.05264903	10.55%	0.06417425
6.60%	0.04113530	8.60%	0.05294062	10.60%	0.06445879	6.60%	0.04113530	8.60%	0.05294062	10.60%	0.06445879
6.65%	0.04143401	8.65%	0.05323203	10.65%	0.06474316	6.65%	0.04143401	8.65%	0.05323203	10.65%	0.06474316
6.70%	0.04173255	8.70%	0.05352326	10.70%	0.06502735	6.70%	0.04173255	8.70%	0.05352326	10.70%	0.06502735
6.75%	0.04203089	8.75%	0.05381431	10.75%	0.06531137	6.75%	0.04203089	8.75%	0.05381431	10.75%	0.06531137
6.80%	0.04232906	8.80%	0.05410518	10.80%	0.06559522	6.80%	0.04232906	8.80%	0.05410518	10.80%	0.06559522
6.85%	0.04262703	8.85%	0.05439588	10.85%	0.06587889	6.85%	0.04262703	8.85%	0.05439588	10.85%	0.06587889
6.90%	0.04292482	8.90%	0.05468639	10.90%	0.06616239	6.90%	0.04292482	8.90%	0.05468639	10.90%	0.06616239
6.95%	0.04322243	8.95%	0.05497673	10.95%	0.06644573	6.95%	0.04322243	8.95%	0.05497673	10.95%	0.06644573
7.00%	0.04351985	9.00%	0.05526689	11.00%	0.06672888	7.00%	0.04351985	9.00%	0.05526689	11.00%	0.06672888
7.05%	0.04381708	9.05%	0.05555687	11.05%	0.06701187	7.05%	0.04381708	9.05%	0.05555687	11.05%	0.06701187
7.10%	0.04411413	9.10%	0.05584667	11.10%	0.06729469	7.10%	0.04411413	9.10%	0.05584667	11.10%	0.06729469
7.15%	0.04441100	9.15%	0.05613629	11.15%	0.06757733	7.15%	0.04441100	9.15%	0.05613629	11.15%	0.06757733
7.20%	0.04470768	9.20%	0.05642574	11.20%	0.06785981	7.20%	0.04470768	9.20%	0.05642574	11.20%	0.06785981
7.25%	0.04500418	9.25%	0.05671501	11.25%	0.06814211	7.25%	0.04500418	9.25%	0.05671501	11.25%	0.06814211
7.30%	0.04530049	9.30%	0.05700410	11.30%	0.06842424	7.30%	0.04530049	9.30%	0.05700410	11.30%	0.06842424
7.35%	0.04559662	9.35%	0.05729302	11.35%	0.06870620	7.35%	0.04559662	9.35%	0.05729302	11.35%	0.06870620
7.40%	0.04589257	9.40%	0.05758175	11.40%	0.06898799	7.40%	0.04589257	9.40%	0.05758175	11.40%	0.06898799
7.45%	0.04618833	9.45%	0.05787032	11.45%	0.06926961	7.45%	0.04618833	9.45%	0.05787032	11.45%	0.06926961
7.50%	0.04648391	9.50%	0.05815870	11.50%	0.06955106	7.50%	0.04648391	9.50%	0.05815870	11.50%	0.06955106
7.55%	0.04677931	9.55%	0.05844691	11.55%	0.06983234	7.55%	0.04677931	9.55%	0.05844691	11.55%	0.06983234

See Transaction Privilege and Use Tax Procedure TPP 00-2 for more information on Factoring for Construction Contractors

*You must apply any applicable statutory deduction prior to computing the factored tax.

How these factors are derived:

To find the tax, multiply the gross by: $0.65R/1 + 0.65R$

Combined Rate (Applicable State, County, City)

Examples:

8.15% → .0815

$[.0815 \times 65\% = .052975]$ $.052975 \div 1.052975 = .05030984$

8.712% → .08712

$[.08712 \times 65\% = .056628]$ $.056628 \div 1.056628 = .05359313$